

Message Text

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71

ORIGIN AGR-08

INFO OCT-01 ARA-06 ISO-00 EB-07 H-02 COME-00 TRSE-00

CIAE-00 INR-07 NSAE-00 XMB-02 STRE-00 /033 R

DRAFTED BY USDA/FAS:GWHITE:DE

APPROVED BY EB/OFJ:JAPLACKE

EB/OT/STA:WCLARK (DRAFT)

ARA/BR:TSUGART (DRAFT)

ARA/ECP:ABERRY (SUBS)

EB/OFJ/FPD:FMCELDOWNEY

----- 128010

R 221805Z DEC 75

FM SECSTATE WASHDC

TO AMEMBASSY BRASILIA

LIMITED OFFICIAL USE STATE 300392

E.O. 11652: N/A

TAGS: ETRD, EAGR

SUBJECT: BRAZILIAN EXPORT INCENTIVES

REF: STATE 295183

PARA 6 OF REFTEL SHOULD HAVE READ AS FOLLOWS:

OUR UNDERSTANDING OF THE EXPORT PROMOTION SCHEME LEADS US TO BELIEVE THAT EXPORTERS OF SOYBEAN OIL MIGHT RECEIVE A POTENTIAL BENEFIT OF 16 PERCENT FOB VALUE OF SHIPMENT THROUGH A COMBINATION OF AN 8 PERCENT IPI CREDIT AND, IF CERTAIN CONDITIONS DESCRIBED PG. 4, REF A MET, AN 8 PERCENT ICM CREDIT AS WELL. (FOR CERTAIN OTHER COMMODITIES, SUBSIDY ELEMENT COULD THEORETICALLY GO AS HIGH AS 28 PERCENT, 15 PERCENT IPI AND 13 PERCENT ICM, IF OUR UNDERSTANDING OF TAX AND CREDIT SYSTEM IS CORRECT.) WE DO NOT FEEL THAT A POTENTIAL REIMBURSEMENT OF 104 DOLLARS PER MT

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(16 PERCENT OF AVERAGE OF 650 DOLLARS/MT PRICE RECEIVED IN

1975 FOR SOYBEAN OIL EXPORTS, REF H) CAN BE CONSIDERED AS
HAVING A QUOTE DE MINIMIS UNQUOTE EFFECT ON WORLD MARKET
PRICES. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORTS, INCENTIVES, TRADE DATA, SOYBEANS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 DEC 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: johnsorg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: GWHITE:DE
Enclosure: n/a
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Review Action: RELEASED, APPROVED
Review Authority: johnsorg
Review Comment: n/a
Review Content Flags:
Review Date: 04 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 SEP 2003 by BoyleJA>; APPROVED <22 DEC 2003 by johnsorg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
06 JUL 2006

Review Media Identifier:
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Review Release Event: n/a
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Secure: OPEN
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Subject: BRAZILIAN EXPORT INCENTIVES
TAGS: ETRD, EAGR
To: BRASILIA
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